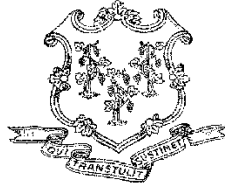


SENATOR MARTIN M. LOONEY
PRESIDENT PRO TEMPORE

Eleventh District
New Haven, Hamden & North Haven



State of Connecticut
SENATE

State Capitol
Hartford, Connecticut 06106-1591
132 Fort Hale Road
New Haven, Connecticut 06512
Home: 203-468-8829
Capitol: 860-240-8600
Toll-free: 1-800-842-1420
www.SenatorLooney.cga.ct.gov

February 9, 2021

Good morning Senator Kasser, Representative Doucette , and members of the Banking Committee. I would like to express my support for HB 6372, AN ACT EXEMPTING FROM EXECUTION CERTAIN FUNDS IN A JUDGMENT DEBTOR'S ACCOUNT and SB 833, AN ACT INCREASING THE ELECTION OF REMEDIES THRESHOLD FOR MOTOR VEHICLES AND BOATS.

While Connecticut statutes currently offer some protection from abusive debt collection practices, these statutes are in need of an update. The bills before you today would be a strong step in the right direction.

HB 6372 would provide protection of Connecticut's "wild card" exemption (CGS §52-352b(r)) by making it unnecessary to "claim" this protection in order for it to be enforced by a bank. Currently, many debtors lose the wild card exemption because they do not claim it; the automatic protections in HB 6372 will protect these debtors from being left potentially penniless by a creditor. Currently, certain federal benefits as well as state unemployment and child support are automatically protected if they are directly-deposited. This legislation would also automatically protect the wild card. This will allow low income families and individuals to

access funds for basic living expenses. The bill also provides for full automatic protection of the covered directly-deposited payments, so that you don't have to claim the amount above \$1,000.

SB 833 updates the election of remedies statute in regard to automobiles and boats. In 1976, the General Assembly stopped a common pre-1976 abusive practice in which a creditor would repossess a car, resell it for next to nothing, add the cost of repossession and resale, and sue the buyer for the balance. The 1976 law ended this abuse as to older used cars (defined in 1976 as cars bought for less than \$2,000) by requiring the creditor to "elect" a remedy. The creditor must either sue for the balance and let the consumer keep the car, or repossess the car and give up the right to sue for the balance. The car value was updated forty years after the enactment of the original statute; in 2016 it was updated to \$4,000. However, that did not come close to updating the value to inflation. \$2,000 in 1976 is approximately \$9,000 today. This bill would move the value to \$9,000, which reflects the increase in the consumer price index since 1976, and it includes a method to increase the value with the rate of inflation.

Thank you for hearing these important bills which would provide assistance to our constituents in need.